## Klamath Falls: Eco-Terrorism at Its Worst Part 1 of 3

Congressional Hearing Report by J.J. Johnson 06.19.01

Although the lack of water situation has made national attention, this is part of the human side of the tragedy that, like the water in the Klamath Lake, never reaches the areas where it's needed the most. When most people hear the phrase "Eco-Terrorism," it brings a certain picture in focus. But in this story - the saga of the Klamath Basin, "eco-terrorism" has two meanings: "ecological terrorism" and "economic terrorism." We traveled to the Klamath Falls, Oregon area to learn about true eco-terrorism, and the war being waged against it.

## **ECONOMIC TERRORISM**

Imagine if you will, a relief truck showing up in northern Alaska with ice for Eskimos, Texas oil workers witnessing relief fuel tankers for their benefit, or truck loads of water for desperate fishermen. This was the scene in Klamath Falls, Oregon on June 16, 2001.

Due to efforts of the Oregon Grocery Industry Association and the Oregon Food Bank, over 250,000 lbs. of food was delivered to the local food bank. These badly needed stipends are not for the homeless of Portland or folks who would even qualify for welfare, but to hard working families of farmers, ranchers, and hired hands, all on the verge of starvation -



due to economic terrorism. The donation was announced by local U.S. Representative Greg Walden (R- OR), flanked by 5 other republican congressmen who are also deeply concerned about this issue, at the Klamath Falls County Fairgrounds. This took place outside the Event Center, where Congressional Hearings were to be held that day.

The issue at hand: Over 200,000 acres of farmland that has supplied a living for over 2000 farm families, merchants and tradesmen, and food for millions, is being erased from the face of the earth by the federal government - if they get their way. During the press conference with the Congressmen, Rep. Jim Gibbons (R-NV) agreed that "if a bad economy was radioactive, this would be the equivalent of a nuclear bomb hitting this area." His words were backed up by Rep. Walden who stated at the press conference, "We're not talking about something that has happened over a period of time. This happened overnight." Indeed it has. After only 90 days of being denied access to the life sustaining liquid that covers over 75% of the planet, the ripple effect of this act of economic terrorism flows across the entire Klamath area. The tax revenue income is threatened for both the county and city, as some residents are preparing to pick up, and move on.

Others are staying to fight.

The reason for this attack on Americans in Southern rural Oregon and northern California is the Endangered Species Act which is being used at random across the country - mainly out west - that (according to the federal government) is enforced to protect certain animal species. In this case, a sucker fish that, according to the U.S. Fish & Marine Service, needs water to survive more than humans. Like all weapons of war, this weapon (being used in virtually all of the western states) causes 'collateral damage' - the new term for 'innocent victims.' In the Klamath Basin, Steve & Nancy Kandra are part of that "collateral damage."

The Kandra family own one of the largest parcels of land in the area. Like many others, their ancestors settled here as Czechoslovakian immigrants for a new life in America. Many residents fought wars - for the America they once knew. Nancy Kandra gave us a tour of what was just last year, prime farming area averaging over \$5000 per acre. This is a place, once an arid desert, where the Stars & Stripes still waves proudly out of respect for God and Country, and for their neighbors (veterans) who fought for such freedom in wars past. Over 600 veterans are among those who've worked the land since 1922 - all with the promise of water rights forever by President Franklin D. Roosevelt.

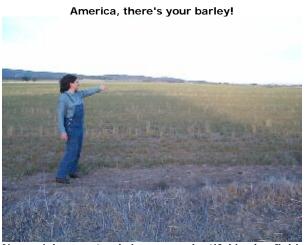
Today, they can barely get 10% of that price, if any - even if they choose to sell it. To them, and the entire area - that promise, was broken. "Over there," Kandra said while driving through a barren farmland, "is where over 200 acres of potatoes would be growing. This year, there will be none."

She had the same story for everything within eyesight on the tour - what's missing from the fields, what's missing from the barns, and what will eventually be missing from the Heartland, and dinner tables of America.

"And for the beer drinkers of America, here's your barley!" she says gleefully but with an oblivious hint of sadness in her voice. Still the Kandras - even lacking the necessary water they need, are up at 5:00 am every morning to work the land. Like the rest of the Klamath basin, they are not giving up.

They can't - they're Americans.

"Sometimes I get up, and I laugh. Sometimes I just cry," Kandra said while her husband Steve continues the multi-million dollar battle consulting with attorneys during her interview with Sierra Times. She explained that with the federal government holding back over 1000 gallons of water per second needed to keep a



Nancy Johnson stands in a once plentiful barley field.

community alive, some young farmers who were given the land by their ancestors are finding themselves over \$600,000 in debt, facing foreclosures, and soon - if the Klamath basin surrenders - buyouts of their land at pennies on the dollar, and another reduction in the domestic American Agricultural industry. Nancy Kandra predicts that between 50 and 75 percent of the farmers will be out of business by year's end.

At the hearings, the damage done by economic terrorism was expressed best by John Crawford, a lifetime farmer of the Klamath Basin.

"Through the half century since the Klamath Project was completed, the Federal Government has invested about \$14.7 million in construction of the project. During that

same period, the [Klamath] project has produced crops of 67 million bushels of potatoes having a gross value of \$80 million."

Crawford stated to the Congressional delegation.

He also listed the gross production value of barley (\$62 million). Federal Taxes collected from the Klamath project since 1940 have accumulated to over \$95 million dollars - more than six times the cost of the project. Crawford told the panel that, "Farm families have lost income. Long-term commodity supply contracts have been terminated. Debts will not be paid. Dreams are being shattered." Tears could be seen on many faces in the audience during his impassioned presentation.



Victims \_\_\_\_

Klamath Falls County Fairgrounds

Klamath County Assessor Reg LeQuieu

has estimated that tens of thousands of acres of irrigated farm land currently valued from \$16 to \$622 per acre will be valued dry at only \$28 per acre without irrigation water. Le Quieu estimated the county tax revenue loss at \$640,000. Eighty percent of the new revenue growth allowed under Oregon Property Tax law will be eliminated.

M. Steven West, the Klamath County Commission Chairman spoke for the county, demonstrating both the frustration, and resolve of the community:

"In my opinion, the future local efforts are all in danger of collapsing because of the current heavy handed management practices of the U.S. Bureau of Reclamation, U.S. Forestry Service (USFS), and the National Marine Fisheries Service. West stated that current management practices of these agencies "have created a huge breach of trust."

He went on to state that these practices have also resulted "in inner agency and intragency squabbles." For this reason, West is concerned that even citizens working on and trying to implement solutions are giving up on the process. No one can blame them. The current water management practices of the various federal agencies threaten to end agriculture in the Upper Klamath Basin. "This is an end that we can not allow to happen," West said.

Another example of complete mismanagement was given by a logger named Jeff who also spoke with Sierra Times. He is one of many loggers in the Klamath Refuge area who is concerned about the future of his family, including two children.

"The USFS told us that we have to water down the logging roads in order to work the forest," Jeff said. But U.S. Reclamation rules only allow them 650 gallons of water a day.

"That's a drop in the bucket." In short, the loggers cannot even obey the rules of one federal agency because of the rules set by another federal agency. "We are hurting up here," Jeff said.

If 'money is the mother's milk of politics', then no testimony was more powerful than that of Franklin M. Bishop, President and CEO of the Intermountain Federal Land Bank Association. Bishop addressed the Congressional Delegation, giving a frightening glimpse of the future

for the Klamath Basin area if nothing is done to immediately reverse a disaster that is only 90 days old. "The Farm Service Agency (FSA) may condition loan guarantees for restructured loans based in the Tule Lake [CA] and Klamath Basin farmers receiving full water allocations for 2002." But here's the catch: The FSA's own regulation tell the agency to assume 'normal' conditions when analyzing a loan.

"The agency cannot assume a drought, and so it should not assume that the federal government will again withhold water from these farmers," Bishop said.

Bishop explained that if the loans are not restructured, lenders won't be around next year. "If lenders are forced to discontinue financing and initiate foreclosure proceedings... land values will plummet, equipment values will be reduced to 25 cents on the dollar, and area businesses will be ruined." He went on to state that, "Those farmers who may have avoided much of the financial distress in their operations to this point, may be left without lenders, only to suffer the longer term consequences of financial ruin because of a 'Cherynobl effect' that precludes any interest in the area from outside business... Farmers who borrow money today may find they have no borrowing capacity tomorrow."

To translate what a top banking officer in the Klamath area is pleading to Congress: "Please help us, or this entire area will die."

Why is the Lawn Brown? (See Answer Below)

Peace Memorial Chruch in Klamath Falls, OR

The banking official, the County Commissioner Chairman, and ranchers Crawford and Kandra speak for the 1600 residents on the Upper Klamath Basin Project. These proud people need help, but after speaking with numerous ranchers in the area, they all agree on one solid principle:

"We don't need government assistance. We just need water."

Terrorism is defined as: "The use (or threatened use) of force by a group or individual, to achieve political or social goals." The force in this case is a small dam on the north end of Klamath Falls, Oregon holding up

450,000 acre-feet of water from two counties - two states in need. According to Dave Solem of the Klamath Irrigation District, this amount (and more) sits dormant in the Klamath Reservoir. The political and social goal in this matter is to "save a sucker fish" - a bottom feeder that can even survive in mud.

But no Klamath resident who spoke with Sierra Times believes that.

Empty canals lead to empty irrigation ditches, to empty fields, to empty wallets, to empty stomachs, to empty dreams. All this because of "empty promises" from the Federal Government. But these are Westerners. These are Americans - a special breed of mankind woven into the fabric of Americana. Eighty years of the blood, sweat and tears they've pumped into this land make them - part of the landscape itself.

...And the majority of this special breed in the Klamath Falls Upper Basin, and the surrounding areas, are not for sale at any price.

## Next: Ecological Terrorism - Part Two

Klamath Ranger Station

Home of the New "Water Gods" - note the sprinklers

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